

Message Text

CONFIDENTIAL

PAGE 01 PONTA 00345 302237Z

67

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

/066 W

----- 081948

R 301230Z JUL 76

FM AMCONSUL PONTA DELGADA

TO SECSTATE WASHDC 1507

INFO AMEMBASSY LISBON

COMUSFORAZ

USCINCEUR

CINCLANT

C O N F I D E N T I A L PONTA DELGADA 0345

E.O. 11652: GDS

TAGS: PINT, PFOR, PO

SUBJ: AZOREAN DEVELOPMENTS

1. REGIONAL ASSEMBLY OPENS: THE AZOREAN REGIONAL ASSEMBLY DECLARED ITSELF OPEN ON JULY 21. AFTER ELECTING IT'S OFFICERS UNANAMOUSLY AND APPOINTING A COMMITTEE TO DRAW UP RULES, IT ADJOURNED FOR SEVERAL WEEKS. FORMAL OPENING OF THE ASSEMBLY WILL TAKE PLACE AT A LATER DATE AFTER A MINISTER OF THE REPUBLIC, THE GOP'S REPRESENTATIVE IN THE AZORES, HAS BEEN APPOINTED AND THE RULES COMMITTEE HAS COMPLETED ITS WORK. IN HIS SPEECH, DR. ALVARO MONJARDINO, THE NEW ASSEMBLY PRESIDENT, PRAISED THE SOON-TO-DEPART GENERAL ALTINO MAGALHAES. HE ALSO TOOK ADVANTAGE OF AMBASSADOR CARLUCCI'S PRESENCE TO MENTION THE AZOREAN CONSTITUTIONAL RIGHT TO PARTICIPATE IN BASE NEGOTIATIONS AND SHARE IN THEIR BENEFITS. THE ASSEMBLY PRESIDENT SAID THIS HAS IMPLICATIONS RANGING FROM THE LAJES BASE LABOR NEGOTIATIONS TO THE SOCIAL-ECONOMIC DEVELOPMENT OF THE ISLANDS. MONJARDINO HAD CLEARED HIS SPEECH PRIOR TO DELIVERY WITH BOTH THE PPD AND PS.

2. IN CONVERSATIONS DURING THE VISITS OF CONGRESSMAN STUDDS AND AMBASSADOR CARLUCCI, AZOREAN POLITICIANS MADE THE FOLLOWING POINTS:

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PONTA 00345 302237Z

PS: THE PS ACCEPTS THE PPD PROGRAMS FOR THE AZORES BUT HAS A FEW RESERVATIONS ABOUT SOME PPD MEMBERS. IT DOES NOT PLAN TO OPPOSE FOR THE SAKE OF OPPOSITION, BUT WILL SUPPORT THOSE MEASURES WHICH MERIT SUPPORT AND CONSTRUCTIVELY CRITICISE WHEN NECESSARY. PS LEADERS ARE SURE THE PS GOVERNMENT IN LISBON WILL COOPERATE WITH THE PPD GOVERNMENT IN THE ISLANDS.

PPD: THE PPD AT THE NATIONAL LEVEL HAS FORMED A COMMITTEE TO GIVE ASSISTANCE AND ADVICE TO THE REGIONAL GOVERNMENTS IN MADEIRA AND THE AZORES. IN THE AZORES THE PARTY LEADERS HAVE TWO PRIORITIES; INITIATION OF THE LAJES BASE NEGOTIATIONS AND GAINING CONTROL OF FOREIGN EXCHANGE THAT ENTERS AND LEAVES THE AZORES. PPD LEADERS SAY THE REGION HAS THE CONSTITUTIONAL RIGHT "TO PARTICIPATE IN THE DEFINITION AND EXECUTION OF FISCAL, MONETARY, FINANCIAL AND EXCHANGE POLICIES IN ORDER TO ASSURE REGIONAL CONTROL OF THE MEANS OF PAYMENT." (ARTICLE 229J). TO THE PPD THIS MEANS CONTROL OF AN AZOREAN FOREIGN EXCHANGE ACCOUNT. THE PPD BELIEVES THE MINISTER OF THE REPUBLIC WILL BE A MILITARY OFFICER; THIS IS ACCEPTABLE TO THE PARTY. THE PPD LEADERSHIP BELIEVES THERE WILL BE NO SERIOUS PROBLEMS BETWEEN THE PPD REGIONAL GOVERNMENT AND A PS GOVERNMENT IN LISBON. THEY FIND RECENT STATEMENTS OF GOODWILL BY PS LEADERS HELPFUL. HOWEVER, AT THE SECONDARY LEVEL SOCIAL DEMOCRATS ARE SKEPTICAL ABOUT GOP INTENTIONS TOWARDS THE AZORES AND PESSIMISTIC REGARDING PORTUGAL'S FUTURE. THE MOST DIFFICULT PROBLEMS THE NEW REGIONAL GOVERNMENT WILL FACE ARE IN THE LABOR FIELD. UNIONIZED WORKERS IN THE AZORES HAVE BEGUN MAKING MORE AND MORE DEMANDS SETTING OFF A SERIES OF STRIKES SIMILIAR TO THOSE EXPERIENCED ON THE CONTINENT A YEAR AGO. JOAO VASCO PAIVA, A PPD LEADER AND EANES CAMPAIGN MANAGER HERE, AFTER TALKING TO THE PRESIDENT IN LISBON SAID THAT EANES UNDERSTANDS THE AZOREAN SITUATION AND HE, PAIVA, CONSIDERS EANES TO BE AN AZOREAN ALLY. EANES ASKED PAIVA TO CONTINUE TO REPRESENT HIM IN PONTA DELGADA.

CDS: THE CDS IS PESSIMISTIC ABOUT PORTUGAL'S FUTURE AND DOUBTS THAT ANYTHING GOOD FOR THE AZORES WILL COME OUT OF LISBON. CDS BELIEVES THAT THE ONLY HOPE FOR THE AZORES LIES IN A STRONG FINANCIAL AUTONOMY WHICH WILL EVENTUALLY LEAD TO THE CREATION OF A SEPERATE CURRENCY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PONTA 00345 302237Z

3. COMMENT: SEEN FROM THE AZORES, THERE APPEARS TO BE A MUTUAL RECOGNITION BY THE PPD AND THE PS THAT THE PS GOVERNMENT IN LISBON AND THE PPD GOVERNMENT IN THE AZORES NEED EACH OTHER. HOWEVER, ONE WONDERS HOW LONG THIS DISPOSITION TO COOPERATE WILL BEAR UP IN THE FACE OF AZOREAN DESIRE FOR CONSIDERABLE FINANCIAL AUTONOMY INCLUDING CONTROL OF FOREIGN EXCHANGE AND THE ISLANDS' NEED FOR SUBSIDIES TO RUN THE REGIONAL GOVERNMENT AND INSTITUTE A MODEST DEVELOPMENT PROGRAM.

PFEIFLE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLITICAL SITUATION, AZORES, PROVINCIAL GOVERNMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976PONTA00345
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760295-0783
From: PONTA DELGADA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976074/aaaaadiz.tel
Line Count: 116
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAY 2004 by BoyleJA>; APPROVED <01 SEP 2004 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AZOREAN DEVELOPMENTS
TAGS: PINT, PFOR, PO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006